



GAIL FARBER, Director

## COUNTY OF LOS ANGELES DEPARTMENT OF PUBLIC WORKS

*"To Enrich Lives Through Effective and Caring Service"*

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<http://dpw.lacounty.gov>

ADDRESS ALL CORRESPONDENCE TO:  
P.O. BOX 1460  
ALHAMBRA, CALIFORNIA 91802-1460

November 10, 2015

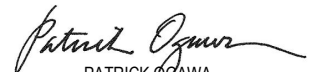
The Honorable Board of Supervisors  
County of Los Angeles  
383 Kenneth Hahn Hall of Administration  
500 West Temple Street  
Los Angeles, California 90012

Dear Supervisors:

# ADOPTED

BOARD OF SUPERVISORS  
COUNTY OF LOS ANGELES

24 November 10, 2015

  
PATRICK OZAWA  
ACTING EXECUTIVE OFFICER

**LOS ANGELES COUNTY WATERWORKS DISTRICT NO. 29, MALIBU  
AGREEMENT WITH THE CITY OF MALIBU REGARDING  
RECYCLED WATER IN THE CIVIC CENTER AREA  
(SUPERVISORIAL DISTRICT 3)  
(3 VOTES)**

### **SUBJECT**

This action is to authorize the Director of Public Works or her designee to execute an agreement with the City of Malibu consenting to the City's request to treat, reuse, and/or dispose of wastewater flows from properties in the Civic Center and to sell such recycled water to the existing customers of the Los Angeles County Waterworks District No. 29, Malibu, within the Civic Center.

### **IT IS RECOMMENDED THAT THE BOARD ACTING AS THE GOVERNING BODY OF THE LOS ANGELES COUNTY WATERWORKS DISTRICT NO.29, MALIBU:**

1. Find that the action set forth in this Board letter is not a project pursuant to the California Environmental Quality Act.
2. Authorize the Director of Public Works or her designee to execute an agreement, on behalf of the Los Angeles County Waterworks District No. 29, Malibu, with the City of Malibu consenting to the City's request to treat, reuse, and/or dispose of wastewater flows from properties in the Civic Center and to sell such recycled water to the District's existing customers within the Civic Center.

### **PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION**

The purpose of the recommended action is to authorize the Director of Public Works or her designee to execute an agreement substantially similar to the enclosed agreement between the

Los Angeles County Waterworks District No. 29, Malibu, and the City of Malibu consenting to the City's request to treat, reuse, and/or dispose of wastewater flows from properties in the Civic Center and to sell such recycled water to the District's existing customers within the Civic Center. This agreement will assist the City in its compliance with Resolution No. R4-2009-007 of the California Regional Water Quality Control Board (RWQCB), Los Angeles Region, which prohibits on-site wastewater disposal systems in the Malibu Civic Center Area.

This agreement advances State water policy and is in the interests of the residents of the City and the interests of the District's customers. The properties in the Civic Center area currently rely on on-site wastewater treatment and disposal systems since the City does not have a centralized municipal sewer system. In August 2011, the City entered into a memorandum of understanding with the RWQCB and State Water Board, which includes the City's construction of a wastewater treatment facility serving the Civic Center. The City of Malibu Civic Center Wastewater Treatment Facility project includes development of a centralized wastewater treatment facility in the Civic Center area that would treat, reuse, and/or dispose of wastewater flows from properties in the Civic Center.

On March 12, 2015, the RWQCB issued a Water Reuse and Recycling permit to the City that requires the City to treat wastewater within the Civic Center boundaries to Title 22 recycled water standards. In addition, the RWQCB required the City to reuse the recycled water to the maximum extent possible and reduce dependency on potable water. The District currently does not have recycled water facilities in the Civic Center, so this agreement is an accommodation to the City to assist in its compliance with the Resolution No. R4-2009-007.

### **Implementation of Strategic Plan Goals**

The Countywide Strategic Plan directs the provisions of Community Support and Responsiveness (Goal 2) by encouraging the use of recycled water and providing the property owners in the Civic Center area with a more reliable water supply through the beneficial use of recycled water.

### **FISCAL IMPACT/FINANCING**

There will be no impact on the County General Fund.

The City of Malibu Civic Center Wastewater Treatment Facility will produce 200,000 gallons per year of recycled water, which existing customers of the District may use in-lieu of purchasing an equivalent amount of potable water from the District.

### **FACTS AND PROVISIONS/LEGAL REQUIREMENTS**

The agreement includes provisions that the District does not object to the City's treatment, reuse, and/or disposal of wastewater flows from properties in the Civic Center and sale of such recycled water to the District's now-existing customers within the Civic Center.

The California Water Code, Section 13550, defines the underutilization of available recycled water to constitute a waste of water. Further, State law establishes a goal of increasing the use of recycled water and regards recycled water as a valuable resource (Water Code, Section 13575, et seq.). Water Code, Section 13050, defines "recycled water" as "water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource."

The agreement does not waive the District's right to provide water service of any type to current and future service connections within its designated and established service area, except that the District specifically waives any right to compensation from the City arising from the City's production, use, or sale of recycled water to the existing District customers from the City of Malibu Civic Center Wastewater Treatment Facility within the Civic Center.

The agreement has been reviewed and approved as to form by County Counsel.

### **ENVIRONMENTAL DOCUMENTATION**

Executing an agreement with the City is not a project pursuant to the provisions of the California Environmental Quality Act (CEQA) because it is an organizational or administrative activity of governments that will not result in direct or indirect physical changes in the environment and is excluded from the definition of a project by Section 15378(b)(5) of the State CEQA Guidelines.

### **IMPACT ON CURRENT SERVICES (OR PROJECTS)**

There will be no negative impact on current County services or projects.

### **CONCLUSION**

Please return an adopted copy of this letter to the Department of Public Works, Waterworks Division.

Respectfully submitted,

A handwritten signature in cursive script that reads "Gail Farber".

GAIL FARBER

Director

AA:DR:dvt

Enclosures

c: Chief Executive Office (Rochelle Goff)  
County Counsel  
Executive Office

## RECYCLED WATER SERVICE AGREEMENT FOR THE MALIBU CIVIC CENTER AREA

THIS AGREEMENT (Agreement) is entered into by and between Los Angeles County Waterworks District No. 29 (District), a county waterworks district, and the City of Malibu, a California municipal corporation, with reference to the understandings set forth in the following recitals:

### RECITALS

A. Water in California is a precious resource. Article 10, Section 2, of the California Constitution declares that "the general welfare requires that the water resources of the State be put to beneficial use to the fullest extent of which they are capable, and that the waste or unreasonable use or unreasonable method of use of water be prevented." California Water Code, Section 13550, defines the underutilization of available recycled water to constitute a waste of water. Further, State law establishes a goal of increasing the use of recycled water and regards recycled water as a valuable resource (Water Code, Section 13575, et seq.).

B. Water Code, Section 13050, defines "recycled water" as "water which, as a result of treatment of waste, is suitable for a direct beneficial use or a controlled use that would not otherwise occur and is therefore considered a valuable resource."

C. California is presently in the midst of a severe drought. On January 17, 2014, Governor Brown declared a State of Emergency to exist in California due to severe drought conditions in the Governor's Proclamation No. 1-17-2014. On April 1, 2015, Governor Brown issued an Executive Order directing the State Water Resources Control Board (State Water Board) to "impose restrictions to achieve a Statewide 25 percent reduction in potable urban water usage through February 28, 2016." The State Water Board formally adopted these restrictions at its May 6, 2015, meeting. The water use reductions are effective June 1, 2015. The State Water Board determined reductions for individual cities and communities ranging from 4 percent up to 36 percent from their residential customer water use in 2013. The State Water Board has required areas with higher per capita use to achieve greater reductions than those with lower use. The District received a 36 percent mandatory reduction.

D. The District is a special district formed in accordance with Division 16, Section 55000 et seq. of the State Water Code to supply water for Malibu and Topanga. The District was established in 1959 by a public election that authorized the formation of the District, and the District is the exclusive purveyor of water as defined by applicable law within its service area. The District's service area was formerly served by several private water companies, whose facilities were accepted for ownership, operations, and maintenance by the District.

E. On November 5, 2009, the State of California, California Regional Water Quality Control Board, Los Angeles Region (RWQCB) approved Resolution No. R4-2009-007, amending the Water Quality Control Plan for the Coastal Watersheds of Ventura and Los Angeles Counties to Prohibit On-site Wastewater Disposal Systems in the Malibu Civic Center Area (Basin Plan Amendment). The Malibu Civic Center (Civic Center) is defined by the RWQCB as "the area within the lower Winter Canyon watershed, Malibu Valley watershed and adjacent coastal strips between and including Amarillo Beach and Surfrider Beach" and as depicted on the boundary map attached as Exhibit 1 to RWQCB Resolution No. R4-2009-007. The Civic Center includes property in the unincorporated county, including portions of Hughes Research Laboratories, Serra Retreat Center, and other properties north of the City limits.

F. The properties in the Civic Center area rely on on-site wastewater treatment and disposal systems and are subject to Resolution No. R4-2009-007. The City does not have a centralized municipal sewer system.

G. In August 2011, the City entered into a memorandum of understanding with the RWQCB and State Water Board to establish a phased implementation of the Basin Plan Amendment. One of the key components of that agreement is the City's construction of a wastewater treatment facility serving the Civic Center.

H. The City of Malibu Civic Center Wastewater Treatment Facility (CCWTF) project includes development of a centralized wastewater treatment facility in the Civic Center area that would treat, reuse, and/or dispose of wastewater flows from properties in the Civic Center.

I. On March 12, 2015, the RWQCB issued a Water Reuse and Recycling permit to the City that requires the City to treat wastewater within the Civic Center boundaries to Title 22 recycled water standards. In addition, the RWQCB required the City to reuse the recycled water to the maximum extent possible and reduce dependency on potable water.

K. At its May 2015 meeting, the California Coastal Commission approved the City's amendment to its Local Coastal Program necessary to accommodate the CCWTF, subject to the condition that the City will make the maximum beneficial use of treated wastewater and minimize the amount of water disposed of through injection wells. This Agreement will assist the City in satisfying the Coastal Commission's condition.

L. The CCWTF is expected to produce between 150,000 and 200,000 gallons annually of Title 22 compliant treated recycled water.

M. The District currently does not have recycled water facilities in the Civic Center and as an accommodation to the City to assist in its compliance with the Resolution No. R4-2009-007, the District will not object to, and, to the extent that such consent may be required, will hereby consent to the City's request to treat, reuse, and/or

dispose of wastewater flows from properties in the Civic Center and to sell such recycled water to the District's now-existing customers within the Civic Center as provided herein.

N. The District and the City agree that this Agreement advances State water policy and is in the interests of the residents of the City and the interests of the District's customers. The purpose of this Agreement is to facilitate the City's ability to treat, reuse, sell, and/or dispose of wastewater flows from properties in the Civic Center.

**NOW, THEREFORE**, for valuable consideration the adequacy of which is hereby acknowledged, the District and the City agree as follows:

1. The above recitals are incorporated herein by reference.

2. Consent for City to Provide Limited Recycled Water Service. The District does not object to, and to the extent that it may be required to do so, hereby consents to the City's treatment, reuse, and/or disposal of wastewater flows from properties in the Civic Center and sale of such recycled water to the District's now-existing customers within the Civic Center. Recycled water means water that, as a result of tertiary treatment of wastewater, is suitable for a direct beneficial use or controlled use that would not otherwise occur within the meaning of Water Code, Section 13050(n). The uses of recycled water may include, but are not limited to, landscape irrigation, agricultural irrigation, natural treatment system irrigation, construction water, industrial process water, cooling tower water, water for flushing toilets and urinals, trap primers in dual-plumbed buildings, and public and private recreational impoundment. This Agreement does not authorize the City to provide potable water services, and the District does not consent to same. Potable water means water that conforms to the Federal, State, and local standards for human consumption.

3. Acknowledgment. The District's consent granted under Paragraph 2, above, is strictly limited to the water treated in connection with the CCWTF, as described in the foregoing recitals. Nothing in this Agreement shall be construed or interpreted in any manner whatsoever as a waiver by the District of its right to provide water service of any type to current and future service connections within its designated and established service area, except that the District specifically waives any right to compensation from the City arising from the City's production, use or sale of recycled water to the now-existing District customers from the CCWTF within the Civic Center. Notwithstanding this Agreement, the City and the District may separately agree that the District would provide recycled water services in support of the City's CCWTF project (e.g. engineering reviews, lease of pipelines, etc.), in which case the District would be compensated in accordance with separate agreements for those services and the provision of such services shall not affect what is provided for in this Agreement.

4. Limited Agreement. Except as otherwise expressly provided in this Agreement, the City is not seeking, nor is the District providing, any waiver or relinquishment of any legal rights that the District has, and the terms and conditions of this Agreement are the controlling agreement with respect to the City's treatment, reuse, sale, and/or disposal of wastewater flows from properties in the Civic Center.

5. Not a "Change of Organization". The parties agree that this Agreement authorizes only limited recycled water service to be provided by the City exclusively from the CCWTF in the Civic Center portion of the District's service area. The District's classes of services, territory and service area, and power to provide its authorized functions are unaffected by this Agreement. As such, neither the District nor the City assert that this Agreement is a "change of organization" within the meaning of the Cortese-Knox-Hertzberg Local Government Reorganization Act of 2000.

6. No Construction of Agreement Against Any Party. Each Party has cooperated in the drafting and preparation of this Agreement. Therefore, this Agreement shall not be construed against any Party on the basis such Party drafted this Agreement or any provision within it.

7. Entire Agreement. This Agreement supersedes any and all other agreements, either oral or in writing, among the Parties with respect to the matters described in the foregoing recitals. Each Party to this Agreement acknowledges that no representation by any Party, which is not embodied herein, nor any other agreement, statement, or promise not contained in this Agreement, shall be valid and binding. Any modification of the Agreement shall be effective only if it is in writing and signed by all Parties.

8. Further Cooperation. Each party shall perform timely any further acts and execute and deliver any further documents that may be reasonably necessary or appropriate to carry out the provisions and intent of this Agreement. Actions required of the Parties or any of them will not be unreasonably withheld or delayed, and approval or disapproval will be given within a reasonable time.

9. Governing Law. This Agreement shall be governed by, and construed in accordance with, the laws of the State of California.

10. Counterparts. This Agreement may be executed in any number of counterparts, each of which when so executed shall be deemed to be an original, but such counterparts together shall constitute one and the same instrument.

11. Authority to Bind. Each party has authorized the signatories below who signs on its behalf and each party is bound by this Agreement.

IN WITNESS WHEREOF, the City and the District have executed this Agreement as of the date set forth above.

CITY OF MALIBU

LOS ANGELES COUNTY WATERWORKS  
DISTRICT NO. 29, MALIBU

By \_\_\_\_\_  
MAYOR

By \_\_\_\_\_  
Gail Farber  
Director of Public Works

ATTEST:

ATTEST:

\_\_\_\_\_  
CITY CLERK

PATRICK OGAWA  
Acting Executive Officer of the  
Board of Supervisors of the  
County of Los Angeles

APPROVED AS TO FORM:

By \_\_\_\_\_  
Deputy

\_\_\_\_\_  
CITY ATTORNEY

APPROVED AS TO FORM:

MARY WICKHAM  
Interim County Counsel

By \_\_\_\_\_  
MICHAEL L. MOORE  
Principal Deputy County Counsel